ATLANTIC LITHIUM

AIM: ALL, ASX: A11, OTCQX: ALLIF

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31 January 2024

Quarterly Activities and Cash Flow Report for the quarter ended 31 December 2023

Atlantic Lithium takes major stride towards production with grant of historic Mining Lease in respect of the Ewoyaa Lithium Project

The Board of Atlantic Lithium Limited (AIM: ALL, ASX: A11, OTCQX: ALLIF, "Atlantic Lithium" or the "Company"), the African-focused lithium exploration and development company targeting to deliver Ghana's first lithium mine, is pleased to present its Quarterly Activities and Cash Flow Report for the period ended 31 December 2023.

Highlights from the Reporting Period:

Project Development:

- Historic Mining Lease, the first for a lithium project in Ghana, granted in respect of the Company's flagship Ewoyaa Lithium Project ("Ewoyaa" or the "Project").
    - Grant of the Mining Lease represents a major endorsement from the Government of Ghana and serves as a significant de-risking milestone for the advancement of the Project towards production.
    - The agreed terms of the Mining Lease position Ewoyaa as one of the lowest capital and operating cost hard rock lithium projects globally and indicate the Project's strong commercial viability and exceptional profitability for a 2.7Mtpa steady state operation, producing a total of 3.6Mt of spodumene concentrate (approximately 350,000tpa) over a 12-year mine life[1]:
        - Ewoyaa to become one of the top 10 largest spodumene concentrate producers[1];
        - Payback period of main processing plant of 9.5 months;
        - C1 cash operating costs of US$377/t of concentrate Free-On-Board ("FOB") Ghana Port, after by-product credits, All in Sustaining Cost ("AISC") of US$675/t;
        - Development cost estimate of US$185m; to be substantially funded by Piedmont Lithium Inc. ("Piedmont") and planned investment by Ghana's sovereign wealth fund, the Minerals Income Investment Fund ("MIIF");
        - Post-tax NPV_8 of US$1.3bn, with free cash flow of US$2.1bn from Life of Mine ("LOM") revenues of US$6.6bn, considering a US$1,410/t long-term concentrate price, FOB Ghana.

- Completion of the Flotation Scoping Study which confirms the viability of the inclusion of a flotation circuit downstream and running independently from the DMS-only processing plant at Ewoyaa for future value addition.

- Environmental Protection Agency authorisation granted to divert two transmission lines that currently traverse planned mining areas of the Mankessim licence, which contains the Ewoyaa Mining Lease area.

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- Awarded Bulk Customer Permit in respect of the electricity requirements of the Project, expected to deliver a 30-50% overall power cost reduction for the Project.

Exploration:

- Maiden JORC (2012) compliant 15.7Mt at 40.2% Feldspar Mineral Resource Estimate (MRE) reported for the Project, including 13.7Mt (87%) in the Measured and Indicated categories, based on approximately the first five years of planned production from the Project, as detailed in the Ewoyaa DFS for the Project.
    - Feldspar MRE enables the potential inclusion of feldspar by-product credits in future revisions of the Ewoyaa feasibility studies, believed to drive down operating costs and further enhance the value of the Project.
    - Indicates the possibility for Ewoyaa to become a major producer of domestic feldspar in Ghana, which the Company intends to supply into the local Ghanaian ceramics market.

- Multiple broad intervals of visible spodumene and 106m continuous pegmatite interval, the longest continuous pegmatite interval reported in the 2023 drilling programme to date, observed from drilling outside of the current Mineral Resource Estimate[1] (MRE).

- Ongoing 2023 drilling programme increased from a planned 18,500m to 26,500m.
    - Further assay results received for 2,362m of resource and metallurgical reverse circulation ("RC") and diamond core ("DD") drilling completed at Ewoyaa as part of the enhanced 2023 programme.
    - Post-period end, increased the planned programme by an additional 3,000m of site sterilisation drilling, taking the total planned programme to 29,500m, intended to support mine construction.

- Grant of highly prospective, undrilled Bewadze and Senya Beraku prospecting licences in the eastern portion of the Company's Cape Coast Lithium Portfolio in Ghana.
    - Grant of the licences indicates the Government's support of the Company's efforts to grow its lithium resources in Ghana.

Corporate:

- Successful Equity Placing raising A$8m, enabling the completion of the activities agreed under the grant of the Mining Lease for the Project, key items of early works and permitting-related Project expenditure, further extensional drilling, and for working capital purposes.

- Rejection of two conditional and non-binding offers from the Company's largest shareholder Assore International Holdings Limited ("Assore") to acquire all the shares in the Company that it does not already own at an offer price of £0.33 per share (A$0.63); offers rejected on the basis that they undervalued the Company and that they were not in the best interests of shareholders.

- Appointment of four General Managers as the Company looks to strengthen its leadership team as it transitions towards mine construction and operation.

- Appointment of highly regarded mining executive Jonathan Henry to the Company's Board of Directors as Independent Non-Executive Director.

- Cash on hand at end of quarter was A$9.8m.

Post-period end:

- Completion of the Minerals Income Investment Fund of Ghana's ("MIIF") Subscription for 19,245,574 Atlantic Lithium shares for a value of US$5m; part of MIIF's agreed total US$32.9m Strategic Investment in the Company and its Ghanaian subsidiaries to expedite the development of the Project.

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- Completion of Stage 1 of the Company's competitive offtake partnering process to secure funding for a portion of the remaining 50% available feedstock from Ewoyaa to expedite the development of the Project.

- Largest shareholder Assore increased its stake in the Company to 28.4% through the purchase of shares from strategic funding partner Piedmont at a premium to the current share price.

Sustainability:

- Awarded Best Performer in Exploration Award (Junior Category) at the Ghana Mining Industry Awards for a second consecutive year.

- Inaugural Community Consultative Committee meeting, comprising representatives of the Project's local communities, including chiefs and elders, held in Saltpond and attended by members of the Atlantic Lithium team.

- Publication of "*Driving Generational Change for Ghana*" key stakeholder video, highlighting significant local support for the Ewoyaa Lithium Project.

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Commenting, Neil Herbert, Executive Chairman of Atlantic Lithium, said:

"The grant of the Mining Lease during the quarter ended 31 December 2023 represents the most significant milestone for the Ewoyaa Lithium Project to-date. Under the terms agreed, the Mining Lease indicates that Ewoyaa remains one of the lowest capital and operating cost hard rock lithium projects globally, with strong commercial viability and exceptional profitability potential.

"Against a challenging market backdrop for lithium projects, we believe Ewoyaa's underlying fundamentals, notably its proximity to existing infrastructure and the favourable nature of the deposit, as well as the impressive economic outputs indicated by the DFS, put the Project in good stead versus its peers. Serving as a clear indication of the government of Ghana's belief in the Company to lead the country's lithium production objectives, the Mining Lease now enables us to set our sights on progressing the Project towards construction.

"In doing so, we remain focused on de-risking and adding value to the Project. To this end, we have been pleased to deliver the maiden Feldspar Mineral Resource Estimate and results of the Flotation Scoping Study.

"In addition, our exploration efforts have continued to deliver promising results during the period. We are pleased to have observed multiple broad intervals of visible spodumene and a continuous pegmatite interval of 106m outside of the current MRE footprint, providing us with confidence in significant potential resource growth at Ewoyaa. Through the ongoing enhanced 2023 drilling programme, we aim to deliver an increased MRE later this year.

"As the Company continues to transition towards near-term lithium producer, we have bolstered our leadership team with several strategic hires, including four General Managers and the appointment of Jonathan Henry as Independent Non-Executive Director. We also expect the imminent appointment of a representative of MIIF to the Company's Board following the completion of MIIF's US$5m Subscription. Through these appointments, we bring valuable mining experience to the Company, placing Atlantic Lithium in a strong position as we target mine build, construction and operation.

"At the same time, I would like to thank Patrick Brindle for his valuable contribution as he steps down from his role on the Board. On behalf of the Atlantic Lithium team, I wish him every success in his future endeavours.

"With the permitting phase progressing well, 2024 is set to be an exciting year for the Company. In the first few weeks, we have already welcomed Ghana's mineral sovereign wealth fund as a new, major shareholder, and have completed the first stage of our competitive offtake partnering process. We look forward to sharing further developments with the market in due course."

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

Ewoyaa Lithium Project, Ghana, West Africa

Ewoyaa is the Company's flagship project, targeted to become Ghana's first lithium-producing mine.

The Project has secured project development funding via a partnership agreement with Piedmont Lithium Inc. (NASDAQ: PLL; ASX: PLL, "Piedmont", *refer announcement of* ***31 August 2021***). The Project, located in Ghana, West Africa, approximately 100km southwest of the capital of Accra, comprises eight main deposits, including Ewoyaa, Okwesi, Anokyi, Grasscutter, Abonko, Kaampakrom, Sill and Bypass. The Project is well located being adjacent to operational infrastructure including within 1km of the Takoradi - Accra N1 highway, 110km from the Takoradi deep-sea port and adjacent to grid power, within the pro-mining jurisdiction of Ghana (*refer* ***Figure 1***).

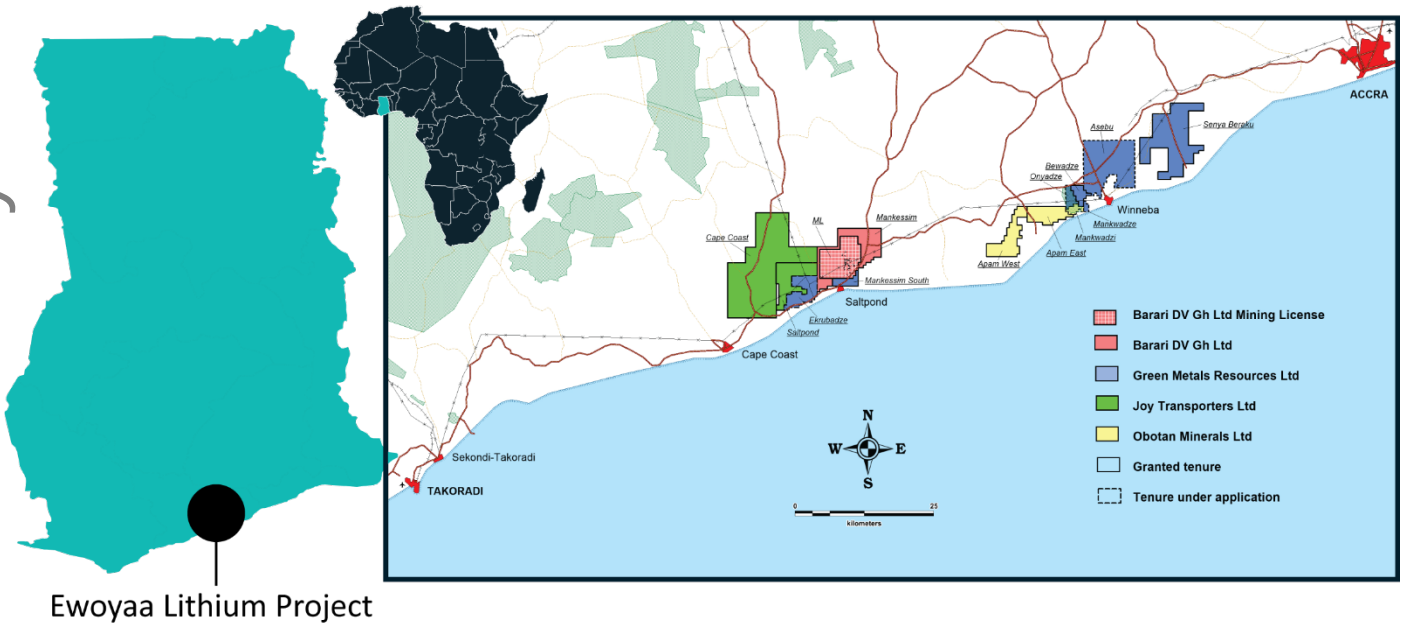

Figure 1: **Location of the Ewoyaa Lithium Project**

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Interest in Tenements

At the end of the quarter ending 31 December 2023, the Company had an interest in the following tenements:

Tenement Number	Tenement Name	Principal Holder	Grant Date/ Application Date	Expiry Date	Term	Change during Quarter
Ghana						
PL3/67	Apam East	Obotan Minerals Company Limited (JV MODA Minerals Limited)	06.11.23	05.11.26	3 years	Renewed
PL3/92	Apam West	Obotan Minerals Company Limited (JV MODA Minerals Limited)	06.11.23	05.11.26	3 years	Renewed
RL 3/55	Mankessim	Barari DV Ghana Limited (90% Atlantic)	27.07.21	26.07.24	3 years	None
PL3/102	Saltpond	Joy Transporters Limited (100% Atlantic)	06.11.23	05.11.26	3 years	Renewed
PL3/109	Mankessim South	Green Metals Resources Limited (100% Atlantic)	06.11.23	05.11.26	3 years	Renewed
PL3/106	Cape Coast	Joy Transporters Limited (100% Atlantic)	15.11.21	14.11.24	3 years	None
RML-N-3/181	Senya Beraku	Green Metals Resources Limited (100% Atlantic)	09.11.23	08.11.26	3 years	Granted
PL-I-3/15	Bewadze	Green Metals Resources Limited (100% Atlantic)	09.11.23	08.11.26	3 years	Granted
ML-3/239	Mankessim Mining Lease	Barari DV Ghana Limited (90% Atlantic)	20.10.23	19.10.38	15 years	Granted
	Ekrubaadze PL	Green Metals Resources Limited (100% Atlantic)	03.10.23			New Application
	Asebu (Winneba North)	Green Metals Resources Limited (100% Atlantic)	28.06.21	Application		None
	Mankwadze (Winneba South)	Green Metals Resources Limited (100% Atlantic)	28.06.21	Application		None
	Mankwadzi	Obotan Minerals Company Limited (JV MODA Minerals Limited)	15.03.18	Application		None
	Onyadze	Green Metals Resources Limited (100% Atlantic)	23.08.21	Application		None
Ivory Coast						
PR695	Rubino	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application		None
PR694	Agboville	Khaleesi Resources SARL (100% Atlantic)	20.10.16	Application		None

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December Quarter Activities

Project Development

Ewoyaa Lithium Project Mining Lease

On 20 October 2023, the Company announced that Ghana's Ministry of Lands and Natural Resources had granted a Mining Lease in respect of the Ewoyaa Lithium Project, comprising the proposed Ewoyaa Lithium Mine and Processing Plant.

The Mining Lease, the first to be issued for lithium in Ghana, grants the Company exclusive rights to work, develop and produce lithium (and other associated minerals) over the entirety of the 42.63 km^2 area ("Lease Area") within the Mankessim licence, held by the Company's subsidiary Barari DV Ghana Limited ("Barari") and containing the Ewoyaa Project, for an initial period of 15 years.

The grant of the Mining Lease represents a major de-risking milestone for the Project and indicates the Government of Ghana's underlying support for the advancement of the Project. Ewoyaa is now on track to become a top 10 hard rock spodumene concentrate mine[1].

The agreed terms, which align with the Government's new Green Minerals Policy, reaffirm the Project's strong commercial viability and exceptional profitability potential for a 2.7Mtpa steady state operation, producing a total of 3.6Mt of spodumene concentrate (approximately 350,000tpa) over a 12-year mine life[1]:

- Payback period of main processing plant of 9.5 months;
- C1 cash operating costs of US$377/t of concentrate Free-On-Board ("FOB") Ghana Port, after by-product credits, All in Sustaining Cost ("AISC") of US$675/t;
- Development cost estimate of US$185m;
- Post-tax NPV_8 of US$1.3bn, with free cash flow of US$2.1bn from Life of Mine ("LOM") revenues of US$6.6bn, considering a US$1,410/t long-term concentrate price, FOB Ghana.

Summary of Key Terms

Under the terms of the Mining Lease, the Government of Ghana will be entitled to a 13% free carried interest in the Project and a 10% royalty rate once in production.

Table 1 below is a table of key Project metrics, using the parameters as defined in the DFS for the Project and incorporating the agreed terms of the Mining Lease[1].

The full Project metrics can be found in Table 3 in the Appendix of the announcement dated ***20 October 2023***.

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Table 1: Summary of Ewoyaa Key Metrics - Mining Lease Terms (100% Project Basis[2])

Item	Units	Mining Lease
Revenue (all products)	US$M	6,566
LOM Concentrate Pricing, FOB Ghana	US$/t	1,587
Post-tax IRR	%	94
C1 Cash Cost, after secondary product credits	US$/t	377
All In Sustaining Cost (AISC)	US$/t	675
Surplus Cashflow, Post Tax	US$M	2,091
NPV_8 Post Tax	US$M	1,301
Payback - Combined	Months	17
Payback – Main Plant	Months	9.5
Payback – Modular DMS Unit	Months	3
EBITDA	US$M	3,365
EBIT	US$M	3,022
NPAT, LOM	US$M	2,004

[2] Whilst the asset is currently wholly owned by Atlantic Lithium Ltd, Piedmont Lithium Inc. can earn up to half of the Company's ownership in the Project through its funding agreement whereby Piedmont will sole fund the first US$70m, and 50% of additional costs thereafter, of the total US$185m development expenditure indicated in the DFS for the Project. The Government of Ghana has the right to a 13% free carry once in production and the Minerals Income Investment Fund has agreed Heads of Terms with the Company, which will see it earn a 6% contributing interest in the Project.
[3] Mr S. Searle of Ashmore Advisory Pty Ltd is the Competent Persons for Mineral Resources and Mr H. Warries of Mining Focus Consultants Pty Ltd for Ore Reserves. For full Competent Persons statements, refer to the Competent Persons section later in this announcement.
***NOTE:** Mineral Resources are inclusive of the Ore Reserves.*

Under the terms of the Mining Lease, the Company has agreed to undertake a Definitive Feasibility Study ("Feldspar Study") to assess the viability of producing and processing feldspar feedstock as by-product of spodumene concentrate production at the Project (*refer announcement of **15 August 2023***). The Feldspar Study is nearing completion and remains on track for delivery before the end of Q1 2024.

The Company also agreed to conduct a scoping study ("Downstream Conversion Study") to evaluate the economic benefits and viability of downstream lithium conversion in Ghana.

The Downstream Conversion Study remains on track for delivery before the end of Q1 2024.

Furthermore, in accordance with Ghana's Local Content Regulations, the Company has committed to establishing a path for the Company to list on the Ghana Stock Exchange.

The Company is currently compiling the necessary documents to lodge its application to list the Company's shares to trading on the Ghana Stock Exchange. Further updates on this process will be announced by the Company in due course.

Project Funding

Under the Project's current funding arrangements and considering a total development expenditure of US$185m for the Project, as indicated in the DFS, Piedmont are required to contribute the first US$70m of development expenditure as sole funding.

The Company is currently in discussions with Piedmont in relation to outstanding development expenditure obligations for the period October to December 2023 of US$1.2m. In the event that payment is not received, there is an established process for resolution.

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Atlantic Lithium looks forward to collaboratively resolving this matter and to the continued advancement of the Project.

The Company is currently undertaking a competitive offtake partnering process that is intended to attract funding offers which would cover the Company's allocation of development expenditure for the Project. The Company announced post-period end that it had completed Stage 1 of the process and was moving to a more detailed Stage 2 due diligence phase.

Further details on the ongoing process can be found in the Corporate section of this announcement.

The Company has also agreed Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest a total of US$32.9m to support the development of the Ewoyaa Lithium Project and broader Cape Coast Lithium Portfolio in Ghana ("Strategic Investment", *refer announcement of* ***8 September 2023***).

In line with the first stage of the Strategic Investment, post-period end, MIIF subscribed for shares in Atlantic Lithium for a total consideration of US$5m, which will be used towards Project development funding.

In line with the second stage of the total planned investment, MIIF has also agreed non-binding Heads of Terms to invest US$27.9m in the Company's Ghanaian subsidiaries which hold the Company's lithium assets in Ghana ("Ghana Portfolio") to acquire a 6% contributing interest in the Ghana Portfolio, inclusive of the Ewoyaa Lithium Project. Both the US$27.9m investment in the Ghana Portfolio and the contributing interest will take the form of funding of development, exploration and studies expenditure to support the advancement of the Project.

Further details on the MIIF's Strategic Investment can be found in the Corporate section of this announcement.

Flotation Scoping Study

During the period, the Company announced the completion of a Scoping Study undertaken in partnership with DRA Global Limited (ASX: DRA, JSE: DRA) to assess the viability of including a flotation circuit downstream from the DMS-only plant at Ewoyaa ("Flotation Scoping Study", *refer announcement of* ***22 November 2023***).

As the Company anticipated, the results of the Study confirm the viability of beneficiating the 4.7Mt of 1.2% Li_2O naturally-occurring fines material[1], outlined in the DFS for the Project to be intended to be sold as a low-grade lithium secondary product (*refer announcement of* ***29 June 2023***), as feedstock for the flotation circuit. The Company intends that the higher value, lower volume flotation concentrate product would replace the secondary product, reducing its exposure to the low-grade lithium-bearing products market in the event that the market is adversely affected in the near-to-medium term.

The results of the Study also corroborate the Company's intention to process the DMS processing plant middlings, which were not previously considered a saleable product from Ewoyaa, through the flotation circuit to achieve >5% Li_2O concentrate grades. Repeatability testwork is required to determine the volume and grade that can be achieved to evaluate the potential enhancement to the value of the Project.

In addition, the results of the Study confirm the significant (circa fourfold) improvement of metal recovery of the finer-grained P2 spodumene-bearing pegmatite material through the flotation circuit versus when it is processed through the main DMS plant alone.

Results of the Study support the case for the inclusion of a flotation circuit as a value-addition proposition at the Project.

The Company intends to commence construction and the staged integration of the flotation circuit once the main plant consistently delivers its intended nameplate throughput of 2.7Mt per annum.

EPA Approval to Divert Mankessim Transmission Lines

Representing an important step towards shovel readiness at Ewoyaa, Environmental Protection Agency ("EPA") authorisation was granted during the period for Ghana Grid Company Ltd ("GRIDCo") to carry out the diversion of two transmission lines, which currently traverse planned mining areas within the Lease Area, to the northern border of the Company's Mankessim licence (*refer announcement of* ***10 October 2023***).

The Company remains on track to award the contract for the diversion work in Q2 2024 to ensure alignment with the critical path for the Project.

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Bulk Consumer Permit

During the period, a Bulk Customer Permit was awarded by Ghana's Energy Commission in respect of the Project. The permit, which is valid for one year and renewable before its expiration, classifies the Project as a bulk consumer of electricity and allows the Company to enter into a competitive bid process with various bulk energy suppliers in Ghana. The process is expected to enable the Company to secure a 30-50% reduction in the Project's overall power cost. An overall operating cost reduction for the Project is intended to be recalculated once an agreement with the Company's preferred bulk supplier has been finalised.

EPCM Contract

The Company has engaged a reputable engineering house to finalise the tender document for the execution of the Project on an EPCM basis, which remains targeted for award in the first half of 2024.

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Exploration

Maiden Feldspar Mineral Resource Estimate

Having been identified as a by-product of spodumene concentrate operations at Ewoyaa, on 12 December 2023, the Company reported a maiden JORC (2012) compliant Mineral Resource Estimate of 15.7Mt at 40.2% feldspar ("Feldspar MRE") for the Project.

The Feldspar MRE is based on the same geological model that delivered the 35.3Mt MRE[1] for the Project, as announced in February 2023, and is confined to the Ewoyaa Main, Ewoyaa Northeast, Ewoyaa South-1 and Ewoyaa South-2 deposits, which represent approximately the first five years of planned production from the Ewoyaa Lithium Project, as detailed in the DFS for the Project.

The Feldspar MRE includes a total of 3.5Mt at 39.7% feldspar in the Measured category, 10.2Mt at 40.5% feldspar in the Indicated category and 2Mt at 40.1% feldspar in the Inferred category. In addition to the feldspar, further by-products of quartz and muscovite were estimated and included (*refer* ***Table 2***).

Table 2: Ewoyaa Lithium Project Feldspar Mineral Resource Estimate (0.5% Li_2O Cut-off)

Deposit	Measured Mineral Resource						
	Tonnage	Feldspar		Quartz		Muscovite	
	Mt	%	Mt	%	Mt	%	Mt
Ewoyaa Main	3.5	39.7	1.37	31.8	1.10	11.5	0.40
Total	**3.5***	**39.7**	**1.37**	**31.8**	**1.10**	**11.5**	**0.40**

Deposit	Indicated Mineral Resource						
	Tonnage	Feldspar		Quartz		Muscovite	
	Mt	%	Mt	%	Mt	%	Mt
Ewoyaa Main	6.5	40.8	2.66	31.6	2.06	11.9	0.78
Ewoyaa Northeast	3.1	39.4	1.23	29.6	0.93	11.1	0.35
Ewoyaa South 1	0.4	42.1	0.16	29.3	0.11	11.7	0.04
Ewoyaa South 2	0.2	41.9	0.07	25.2	0.04	13.0	0.02
Total	**10.2***	**40.5**	**4.13**	**30.8**	**3.14**	**11.7**	**1.19**

Deposit	Inferred Mineral Resource						
	Tonnage	Feldspar		Quartz		Muscovite	
	Mt	%	Mt	%	Mt	%	Mt
Ewoyaa Main	0.6	41.8	0.23	30.6	0.17	11.5	0.06
Ewoyaa Northeast	0.4	39.5	0.15	30.5	0.11	13.0	0.05
Ewoyaa South 1	0.4	40.4	0.16	32.6	0.13	12.8	0.05
Ewoyaa South 2	0.7	38.8	0.27	31.7	0.22	12.6	0.09
Total	**2.0***	**40.1**	**0.81**	**31.4**	**0.63**	**12.4**	**0.25**

Deposit	Total Mineral Resource						
	Tonnage	Feldspar		Quartz		Muscovite	
	Mt	%	Mt	%	Mt	%	Mt
Ewoyaa Main	10.5	40.5	4.27	31.6	3.33	11.7	1.24
Ewoyaa Northeast	3.5	39.4	1.38	29.7	1.04	11.3	0.40
Ewoyaa South 1	0.8	41.3	0.32	31.0	0.24	12.2	0.09
Ewoyaa South 2	0.9	39.4	0.35	30.4	0.27	12.7	0.11
Total	**15.7***	**40.2**	**6.31**	**31.1**	**4.87**	**11.7**	**1.84**

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NOTE: *Based on the lithium Mineral Resource Estimate[1] reported for the Project in February 2023 and confined to the Ewoyaa Main, Ewoyaa Northeast, Ewoyaa South-1 and Ewoyaa South-2 deposits. Total tonnage figures do not include tonnage of spodumene as indicated in the February 2023 Mineral Resource Estimate[1] for the Project, nor minor accessory minerals.*

The Feldspar MRE has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code and a Qualified Person under the AIM Rules for Companies. Mr Searle consents to the inclusion of the information in relation to the Mineral Resource in the form and context in which it appears.

All Mineral Resources figures reported in the table above represent estimates at December 2023. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

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The Company believes that Ewoyaa represents a major source of domestic feldspar in Ghana, which is widely used in the ceramics industry. As a potentially considerable contributor to the growth of local businesses and economy, the Company intends to supply the feldspar produced at Ewoyaa into the local Ghanaian ceramics market.

Delivery of the Feldspar MRE enables the potential inclusion of feldspar by-product credits in future revisions of the Ewoyaa feasibility studies, expected by the Company to drive down operating costs and further enhance the value of the Project.

The Company intends to conduct further sodium assay analysis and normative mineralogical calculations for the remaining historic and current drill campaigns outside the Ewoyaa Main, Ewoyaa Northeast, Ewoyaa South-1 and Ewoyaa South-2 deposits, with the aim of increasing the current Feldspar MRE.

Initial test work of the feldspar produced at Ewoyaa assessed the quality of two size fractions derived from dense media separation ("DMS"); 2.6 SG oversize fraction with high total alkalis ("O/F") and 2.6 SG undersize fraction with lower alkalis ("U/F") but significant Li_2O at approximately 0.70%, which is a strong flux.

Following examination of chemical and mineralogical composition, ceramic application trials were undertaken in Stoke-on-Trent (The Potteries) in the UK for vitreous hotelware, high-end earthenware and floor tiles. Samples were wet ground to the required particle size and incorporated into commercial recipes, substituting for standard feldspars and nepheline syenite. Each prepared body was factory fired and, in the case of vitreous hotelware and high-end earthenware, biscuit (not glazed), glazed and decorated pieces were produced.

In all cases, the trial firings produced acceptable ware, comparable to industry standards in all aspects, including contraction, water absorption, density, porosity, shape, colour and appearance. Good results were delivered at the vitreous hotelware factory (a world leading manufacturer of tableware for the international hospitality industry), where the Ewoyaa feldspars were substituted for Forshammer feldspar (produced in Sweden by Sibelco) (*refer* ***Figure 2***).

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Figure 2: Trial-fired ceramic plates and bowls, manufactured in biscuit (unglazed), glazed and decorated forms (left to right), comprising of trial standard, O/F sample and U/F sample (top to bottom). The trials, which deemed that no visual differences were detected between the trial standard and sample plates, successfully produced industry-accepted standard of ware across all aspects.

The Feldspar MRE will be incorporated into the Feldspar Definitive Feasibility Study ("Feldspar Study"), which is due for completion by the end of Q1 2024, undertaken to assess the viability and prospective market conditions for the production of feldspar at Ewoyaa (*refer announcement of **15 August 2023***).

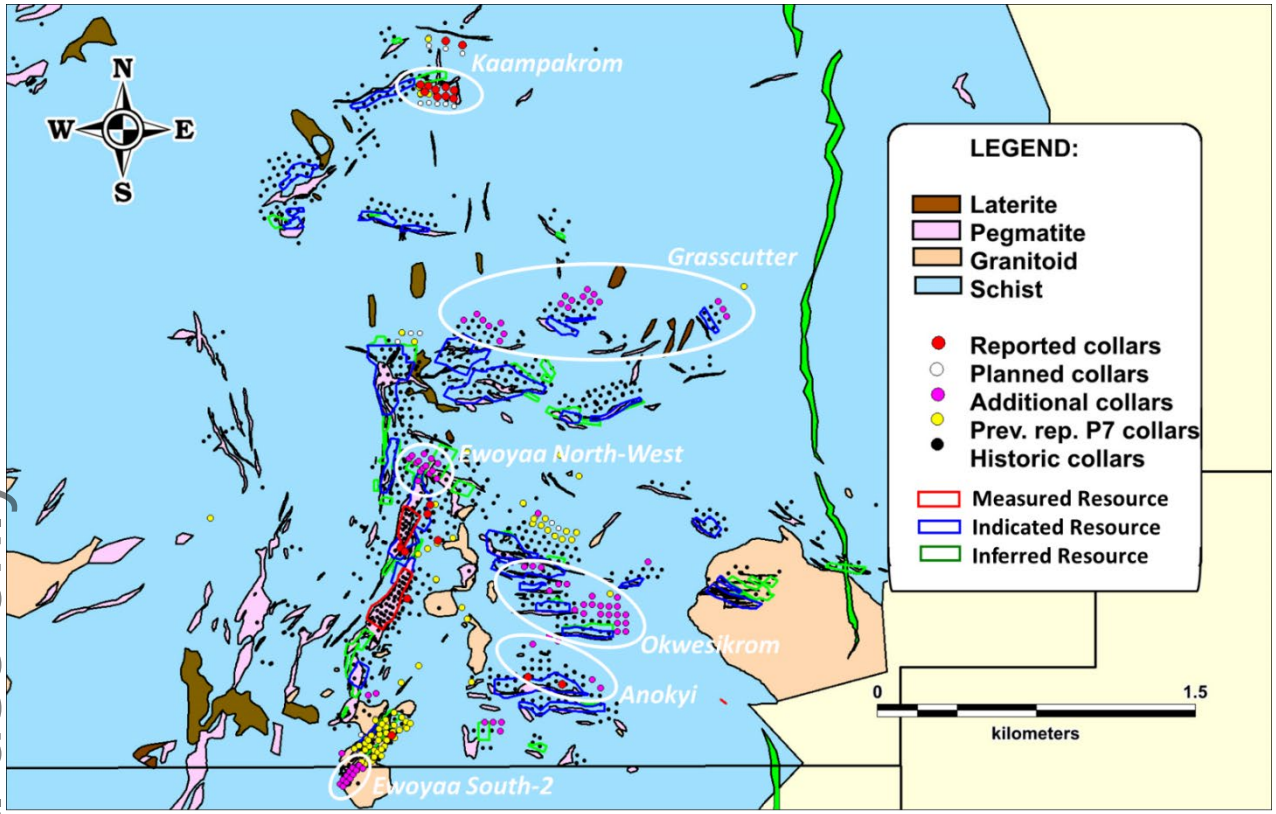
2023 Drilling Programme

During the reporting period, the Company continued to advance the exploration and resource drilling programme across the Project and the Company's Cape Coast Lithium Portfolio which commenced in Q1 2023 (*refer announcement of **20 March 2023***).

In November 2023, the Company announced the addition of 8,000m of extensional resource drilling targeting resource growth to the programme, increasing the planned 18,500m programme by 43% to a total of 26,500m (*refer announcement of **07 November 2023***).

The additional 8,000m of RC drilling is planned for resource depth and strike extensions at the Okwesikrom, Anokyi, Grasscutter, Ewoyaa North-West and Ewoyaa South-2 deposits (*refer **Figure 3***).

Figure 3: Expanded resource extension programme with newly planned holes highlighted in pink and deposit areas named



Post-period end, the Company extended the 26,500m programme by an additional 3,000m of plant site sterilisation drilling (taking the total planned programme to 29,500m), intended to support the mine construction. Plant site sterilisation drilling is expected to commence during Q1 2024 and will be prioritised over the remaining planned deep resource extension drilling. The Company intends to re-assess resource drilling plans in Q2 2024, whilst reviewing all completed resource drilling during 2023 once remaining assay results are received.

During the period, the Company also reported further assay results received for 2,362m of resource and metallurgical reverse circulation ("RC") and diamond core ("DD") drilling completed at Ewoyaa, which returned high-grade infill and extensional drill intersections at the Ewoyaa Main, Anokyi and Ewoyaa South-2 deposits.

Assay results reported in hole GDD0093 extend the mineralisation at the Ewoyaa Main deposit outside of the current 35.3Mt @ 1.25% Li_2O MRE footprint[1], while shallow high-grade and broad infill drill intersections were returned at Ewoyaa Main, Anokyi and Ewoyaa South-2, including 47.6m at 1.25% Li_2O from 65.7m and 28.7m at 1.51% Li_2O from 79.3m (*refer* ***Table 3***).

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Table 3: Drill intersection highlights at greater than 10 Li x m, reported at a 0.4% Li2O cut-off and maximum of 4m of internal dilution

Hole_ID	From_m	To_m	Interval_m	Hole depth_m	Li_2O%	Intersection	Comment	metal content Li x m	Hole Purpose	Deposit
GDD0105	65.7	113.3	47.6	150	1.25	GDD0105: 47.6m at 1.25% Li_2O from 65.7m		59.42	Metallurgical Studies	EWY_Main
GDD0107C	30	83	53	100	0.93	GDD0107C: 53m at 0.93% Li_2O from 30m		49.29	Metallurgical Studies	EWY_Main
GDD0109	79.3	108	28.7	180	1.51	GDD0109: 28.7m at 1.51% Li_2O from 79.3m		43.24	Metallurgical Studies	AKY
GDD0104	81.2	109.4	28.2	150	1.23	GDD0104: 28.2m at 1.23% Li_2O from 81.2m		34.45	Metallurgical Studies	EWY_Main
GDD0106	34	56.4	22.4	90	1.07	GDD0106: 22.4m at 1.07% Li_2O from 34m		23.80	Metallurgical Studies	EWY_Main
GDD0110	33	47	14	180	1.46	GDD0110: 14m at 1.46% Li_2O from 33m		20.42	Metallurgical Studies	AKY
GDD0108	83.9	106.4	16.1	140	1.04	GDD0108: 16.1m at 1.04% Li_2O from 83.9m		16.74	Metallurgical Studies	EWY_Sth2
GDD0093	182.7	198.2	15.5	300	0.83	GDD0093: 15.5m at 0.83% Li_2O from 182.7m		12.83	Resource Drilling	EWY_Main
GDD0108	111.6	120	8.4	140	1.28	GDD0108: 8.4m at 1.28% Li_2O from 111.6m		10.69	Metallurgical Studies	EWY_Sth2

Note: *Metal content is based on intercept rather than estimated true width*

On 28 November 2023, the Company announced the observation of multiple broad intervals of pegmatite, including multiple broad intervals of coarse-grained visible spodumene, in drilling at the Dog Leg prospect extension target on the northern tip of the Ewoyaa Main deposit, outside of the current 35.3Mt @ 1.25% Li_2O MRE[1] for the Project.

Included within the observations, the Company reported the longest reported continuous pegmatite interval in the 2023 drilling programme to date of 106m in hole GRC1020 from 6m at the Dog-Leg target.

Highlight logged pegmatite intervals with visible estimates of spodumene modal abundance in RC drill chips are summarised in ***Table 4*** below, with all logged intervals and collar details reported in ***Table 2*** and ***Table 3*** of the announcement dated ***28 November 2023***.

Table 4: Highlight visual estimations of spodumene abundance in logged pegmatite intervals in new reported drilling

Hole_ID	Depth From_m	Depth To_m	Interval m	Lithology	Visible estimate Spodumene abundance %	Downhole length vs true width
GRC1017	83	134	51	Pegmatite	25-30	true width not known
GRC1018	154	157	3	Pegmatite	5	true width not known
GRC1018	160	170	10	Pegmatite	5	true width not known
GRC1020	6	38	32	Pegmatite	5-10	true width not known
GRC1020	39	113	74	Pegmatite	20-25	true width not known
GRC1020	116	122	6	Pegmatite	10-15	true width not known
GRC1020	137	178	41	Pegmatite	20-25	true width not known
GRC1021	93	117	24	Pegmatite	15-20	true width not known
GRC1022	130	152	22	Pegmatite	20-25	true width not known
GRC1022	158	187	29	Pegmatite	20-25	true width not known
GRC1023	139	147	8	Pegmatite	5-10	true width not known

NOTE: *Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.*

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Coarse-grained, P1-type spodumene pegmatite, as observed in the reported drilling, is preferred for the Dense Media Separation ("DMS") process flowsheet considered in the DFS for the Project.

Remaining assay results from the 2023 resource drilling programme are expected during Q1 2024 and will be reported to market as soon as they are received and pass internal QAQC.

Grant of Bewadze and Senya Beraku prospecting licences

During the period, the Company's wholly-owned Ghanaian subsidiary Green Metals Resources Limited ("GMR") was granted the Bewadze and Senya Beraku prospecting licences in the eastern portion of the Company's Cape Coast Lithium Portfolio in Ghana (*refer* ***Figure 4***).

The award of the licences provides the Company exclusive access to explore new, undrilled tenure, covering 6.93km^2 and 82.11km^2, respectively, offering significant potential to further enhance the Project and demonstrating the Government of Ghana's alignment with the Company's lithium exploration efforts.

Little/no modern previous exploration has been completed across the newly-granted licence areas, which are well serviced by existing infrastructure, including high-voltage transmission lines traversing the licences and the adjacent N1 Accra-Takoradi highway.

The Bewadze licence had been previously noted as of particular interest by the Company, being located along strike and within 300m of the historic Egyasimanku Hill occurrence, where spodumene pegmatites have been observed, making it highly prospective for lithium discovery.

The Company has planned extensive work programmes to evaluate the potential for lithium and associated minerals at the newly-granted tenure, aiming to grow its lithium reserves in Ghana.

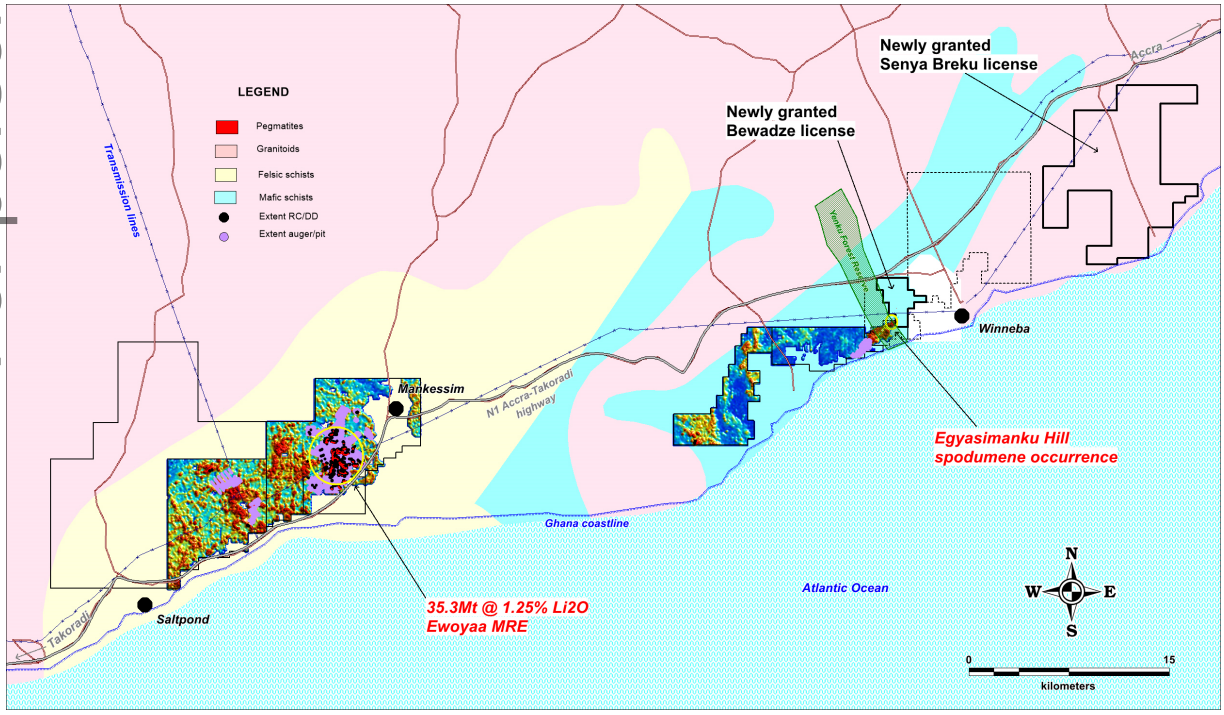

Figure 4: **Newly-granted Bewadze and Senya Beraku licences in relation to Cape Coast Lithium Portfolio and Ewoyaa Project with geology background and rubidium in soils geochemistry anomalism images.**

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Corporate

A$8 million Equity Placing

On 15 December 2023, the Company announced that it had successfully completed an institutional placement ("Equity Placing"), raising A$8.0m (equivalent to approximately £4.2m) at a price of A$0.44 (23.35 pence) per New Share ("Issue Price").

The Equity Placing was undertaken in order to strengthen the Company's cash balance and to facilitate key work to progress the Project in line with the development schedule.

Proceeds of the fundraise are intended to enable the completion of activities agreed under the grant of the Mining Lease for the Project, key items of early works and permitting-related Project expenditure, for further extensional drilling, and for working capital purposes.

In parallel to the Company's current funding arrangements for the advancement of the Project, which comprise Piedmont's staged earn-in agreement, the agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") and the ongoing competitive partnering process for a portion of the remaining available offtake at Ewoyaa, the completion of the Equity Placing represents a major milestone towards fully de-risking the funding for the Project.

Rejection of Non-binding Indicative Offers

On 15 November 2023, the Company announced the rejection of two conditional and non-binding offers, on 7 November and an earlier offer on 2 October 2023, from its largest shareholder Assore to acquire all the shares in the Company that it does not already own at an offer price of £0.33 per share (A$0.63).

After careful consideration, the offers were rejected by the Atlantic Lithium independent board committee, which was established to consider the approaches from Assore, as they were deemed to undervalue the Company and not in the best interests of shareholders.

There is no certainty that a further proposal will be received (from Assore or any other third party). The Company remains focused on progressing its activities to maximise value for all shareholders.

Appointment of General Managers

During the period, among a number of recent strategic hires, the Company announced the appointment of three highly experienced General Managers, bringing considerable expertise from the mining industry to the Company at a pivotal time in the Company's progression.

Ahmed-Salim Adam, an accomplished mining General Manager with over 15 years' experience leading various large-scale projects in Ghana, across all stages of mine development, production and closure, joins the Company as General Manager, Operations.

Andrew Henry joins as General Manager, Commercial and Finance, bringing to the Company significant commercial and finance management experience, including expertise on strategy, planning and analysis, contracts, and large-scale project development.

Simone Horsfall, a senior human resources professional with a focus on the mining sector, marks the third of the three General Managers, joining the Company as General Manager, People. Simone's appointment aims to support the Company's successful transition towards becoming a globally significant lithium producer.

Post-period end, having joined the Company as Financial Reporting Manager in June 2023, Belinda Gethin was promoted to General Manager, Corporate – Finance and Company Secretary. Belinda brings a wealth of experience in all aspects of statutory, financial and corporate reporting.

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The Company continues to recruit actively for positions that support its objectives. In line with the growth of the Company's Project development team, Atlantic Lithium also signed a 5-year lease for an office in West Perth, Australia during the period.

Appointment of Independent Non-Executive Director

On 20 December 2023, the Company was pleased to announce the appointment of Jonathan Henry to the Board of Directors as Independent Non-Executive Director.

Jonathan is a senior executive with significant, global listed company experience, primarily in the mining industry, having held various leadership and Board roles for nearly two decades. During this time, Jonathan has been heavily involved in the strategic management and leadership of projects towards production, commercialisation and, ultimately, the realisation of shareholder value.

In line with his appointment, Len Kolff stepped down from his role on the Board, although maintaining his role as Head of Business Development and Chief Geologist, where he will continue to play a huge part in the continued success in the Company's growth, to which he has contributed significantly to-date.

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Post-period end

Completion of US$5m MIIF Subscription

Further to the Company's announcement on 8 September 2023, post-period end, the Company announced the completion of a subscription undertaken by the Minerals Income Investment Fund of Ghana ("MIIF") for 19,245,574 Atlantic Lithium shares ("Subscription") at a price of US$0.2598 (A$0.39 / £0.20) per share ("Subscription Shares"), for a value of US$5m (*refer announcement of **24 January 2024***).

The US$5m consideration is intended by the Company to be used towards Project development funding.

The Subscription forms the first stage of MIIF's proposed total US$32.9m investment in the Company and its Ghanaian Subsidiaries to expedite the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana ("Ghana Portfolio") towards production.

MIIF's proposed Strategic Investment demonstrates MIIF's strong support as a key local stakeholder in the advancement of the Project towards production.

Under the agreed terms of the Subscription, MIIF is entitled to nominate one person to the Company's Board of Directors and will be granted 9,622,787 warrants at a price of US$0.3637.

Following the completion of the Subscription, the Company welcomes MIIF as a new major, strategic shareholder and funding partner.

In line with the second stage of the Strategic Investment, subject to the Company reaching a binding agreement with MIIF, MIIF has agreed to invest a further US$27.9m in the Company's Ghanaian subsidiaries that hold the Company's lithium interests in Ghana ("Ghana Portfolio"), to acquire a 6% contributing interest in the Company's Ghana Portfolio, inclusive of the Project.

Both the US$27.9m investment in the Ghana Portfolio and the contributing interest will take the form of funding of development, exploration and studies expenditure to support the advancement of the Project.

Completion of Stage 1 Offtake Partnering Process

Post-period end, the Company completed Stage 1 of the competitive offtake partnering process being led by Macquarie, to secure funding for a portion of the remaining 50% available feedstock from Ewoyaa.

The objective of the process is to attract funding offers to sufficiently cover the Company's allocation of development expenditure for the Project, to expedite and de-risk the development of the Project, realise attractive terms for any offtake contracted and secure a well credentialled partner that will support the Company's and Ghana's objectives of supplying lithium into the global electric vehicle market.

Following the completion of Stage 1, the Company now moves to a more detailed Stage 2 due diligence phase with the remaining preferred parties.

Assore Share Purchase

The Company's largest shareholder Assore increased its stake in the Company to 28.4% through the purchase of shares from strategic funding partner Piedmont at a premium to the current share price. Piedmont's holding current sits at 5.2% following the share transaction.

The Company believes that Assore's purchase of Atlantic Lithium shares at a premium reflects their belief in the Company's substantial value to be unlocked.

Board Change

In line with Piedmont's sale of the Company's shares to Assore (*refer announcement of **23 January 2024***) and its holding in Atlantic Lithium falling below 9%, Piedmont has relinquished its right to position on the Company's Board of Directors. Accordingly, on Monday, 29 January, Patrick Brindle submitted his resignation in respect of his role on the Board with immediate effect.

The Atlantic Lithium Board of Directors and management team wish to express their thanks to Patrick for his valued contribution to the Company during his tenure and wish him every success going forward.

Conferences Attended

The Company attended the following conferences and events during the period:

- 121 Mining Investment Conference, Sydney (17-18 October)
- Noosa Mining Investment Conference, Queensland (15-17 November)
- ShareCafé Hidden Gems webinar (17 November)
- 121 Mining Investment Conference, London (20-21 November)
- Proactive One2One Mining Investor Forum, London (23 November)
- Macquarie Western Australia Forum, Perth (28 November)
- Swiss Mining Institute, Zurich (29-30 November)

Investor Meet Company Webinar

The Company intends to host its next investor webinar on the Investor Meet Company platform at 9:00 am London time (8:00 pm Sydney time) on Thursday, 1 February 2024. Investors can sign up to Investor Meet Company to watch the Company's previous webinars and be notified of upcoming events via the following link: https://www.investormeetcompany.com/atlantic-lithium-limited/register-investor

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Sustainability

For a second consecutive year, Atlantic Lithium was proud to be awarded the Best Performer in Exploration Award (Junior Category) at the Ghana Mining Industry Awards ("GMIA"), an annual event which honours individuals and organisations that have contributed exceptionally to the growth and development of the mining industry in Ghana. Atlantic Lithium's receipt of the award demonstrates the Company's sustained exploration success in Ghana and the significant role the Company holds in leading the country's long-term lithium production ambitions.

Figure 5: Key members of the Atlantic Lithium team in Ghana present to receive the Best Performer in Exploration Award

Inaugural Community Consultative Committee ("CCC") meeting

The Company announced during the period that, in October 2023, it had held its inaugural meeting for the Community Consultative Committee ("CCC"), which comprises representatives of the communities surrounding the Project area, in Saltpond, Ghana's Mfantseman Municipality.

The CCC was established to enable transparent discussion to maximise the value of the Project for the local population. The meeting provided an occasion for the local community to express its ongoing support for the Project.

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Figure 6: Inaugural meeting of the Community Consultative Committee, held in Saltpond

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Ewoyaa Lithium Project Key Stakeholder Documentary

During the period, the Company was pleased to release a stakeholder documentary entitled, "*Driving Generational Change for Ghana*", in which a number of representatives of the communities living within close proximity to the Project voiced their support for the advancement of the Project, highlighting the significant benefits that Ewoyaa is expected to bring to the Central Region and to Ghana.

The video can be found on the Company's website or via its social media channels, including on YouTube via the following link: https://www.youtube.com/watch?v=Y9KfP-rca5E

Figure 7: Stakeholder documentary interviewees Hon. Ike Lord Enu, Mfanseman Municipal Chief Executive (left) Francis Odoom, Chairman of the Trade Union Congress (right), who presented the Company with a certificate of appreciation for its contribution towards the 2023 Central Region May Day celebrations in Saltpond

Share Capital Changes - Ordinary Shares, Options and Performance Rights

On 15 December 2023, A$8.0m was raised from an institutional share placement at a price of A$0.44 per new share. A total of 18,181,819 new fully paid ordinary shares of no-par value each in the Company was issued.

On 27 December 2023, 9,298,935 performance rights over new ordinary shares of no-par value each were issued to directors and executives of the Company.

On 24 January 2024, 19,245,574 fully paid ordinary shares of US$0.2598 (A$0.39) were issued as a result of a subscription for shares by the Minerals Income Investment Fund of Ghana.

On 24 January 2024, 9,622,787 unlisted options were granted to Minerals Income Investment Fund of Ghana with an exercise price of US$0.3637 and an expiry date of 23 July 2025.

A summary of movement and balances of equity securities between 1 October 2023 and the date of this report is as follows:

	Ordinary Shares	Unquoted Options	Unquoted performance rights
On issue at start of Quarter	612,241,660	32,650,000	-
Shares issued – Institutional placement (15 December 2023)	18,181,819		
Shares issued to Minerals Income Investment Fund of Ghana (24 January 2024)	19,245,574		
Unlisted options issued to Minerals Income Investment Fund of Ghana (24 January 2024)		9,622,787	
Performance Rights Granted (27 December 2023)			9,298,935
Total Securities on issue at date of this report	**649,669,053**	**42,272,787**	**9,298,935**

Compliance

During the quarter, the Company spent A$7.4m on its exploration, feasibility, and development activities for its Ewoyaa Lithium Project in Ghana. In accordance with the agreement announced on 1 July 2021, exploration and feasibility activities are 50% funded by Piedmont, with Piedmont sole funding the first US$70m towards the total US$185m of development expenditure forecasted in the DFS for the Project. Funding is shared equally thereafter.

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Appendix 5B expenditure disclosure

As at end 31 December 2023, the Company had cash resources of A$9.8m and no debt. Exploration and evaluation cash expenditure on the Project during the quarter was A$7.4m. Piedmont Lithium Inc. funded A$3.9m in the quarter.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
ATLANTIC LITHIUM LIMITED	
ABN	Quarter ended ("current quarter")
17 127 215 132	**31 December 2023**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(1,728)	(2,117)
	(e) administration and corporate costs	(2,740)	(4,327)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(4,468)**	**(6,444)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(157)	(290)
	(d) exploration & evaluation	(7,360)	(13,314)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	10	10
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	
2.5	Other - Piedmont Contributions from farm-in arrangement	3,889	6,884
2.6	**Net cash from / (used in) investing activities**	**(3,618)**	**(6,710)**
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	8,000	8,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(476)	(476)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**7,524**	**7,524**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	10,565	15,346
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,468)	(6,444)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,618)	(6,710)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,524	7,524

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(185)	102
4.6	**Cash and cash equivalents at end of period**	**9,818**	**9,818**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	9,815	10,561
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Petty Cash	3	4
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**9,818**	**10,565**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	2,483
6.2	Aggregate amount of payments to related parties and their associates included in item 2	438

6.1 & 6.2 are payments of salaries/bonuses/fees (including superannuation) to related parties.

7.	**Financing facilities** ***NOTE**: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	**Total financing facilities**	**-**	**-**

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

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8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,468)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(7,360)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(11,828)
8.4	Cash and cash equivalents at quarter end (item 4.6)	9,818
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	9,818
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.8

***NOTE**: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No, for the March quarter steps have been undertaken for capital preservation so that to continue the development of the Ewoyaa Lithium Project at a reduced rate of forecast expenditure whilst not jeopardising timelines towards production.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

- MIIF has subscribed for 19,245,574 shares in Atlantic for consideration of US$5m on 24 January 2024.
- Atlantic Lithium Ltd is funded under a co-development agreement with Piedmont Lithium Inc.
- At the end of December 2023, owing by Piedmont was US$3.1m. During January 2024, Piedmont contributed a total of US$2.96m under the co-development agreement.
- In addition to the MIIF investment above, Atlantic Lithium has agreed non-binding Heads of Terms with the Minerals Income Investment Fund of Ghana ("MIIF") to invest in its Ghana subsidiaries. The proposed investment will support the development of the Project and the broader Cape Coast Lithium Portfolio in Ghana. Under the terms of the non-binding agreement, MIIF intends to invest an initial US$27.9m to acquire a 6% contributing interest in the Company's Ghana Portfolio and will make ongoing contributions through monthly cash calls as the Project develops.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The company has funding available (see 8.8.2).

***NOTE**: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

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ATLANTIC LITHIUM

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: **31 January 2024**

Authorised by: **Authorised by the Board of Atlantic Lithium Limited**

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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End note

[1] Ore Reserves, Mineral Resources and Production Targets

The information in this announcement that relates to Ore Reserves, Mineral Resources and Production Targets complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The information in this announcement relating to Ore Reserves of 25.6Mt @ 1.22% Li_2O and Production Targets is extracted from the Ewoyaa Lithium Project Definitive Feasibility Study ("DFS"), announced by the Company on 29 June 2023, and information in this announcement relating to the Mineral Resource Estimate ("MRE") of 35.3Mt @ 1.25% Li_2O for Ewoyaa is extracted from the Company's announcement dated 1 February 2023, both of which are available at atlanticlithium.com.au. The MRE includes a total of 3.5Mt @ 1.37% Li_2O in the Measured category, 24.5Mt @ 1.25% Li_2O in the Indicated category and 7.4Mt @ 1.16% Li_2O in the Inferred category. The Company confirms that all material assumptions and technical parameters underpinning the MRE and DFS continue to apply. Material assumptions for the Project have been revised on grant of the Mining Lease for the Project, announced by the Company on 20 October 2023. The Company is not aware of any new information or data that materially affects the information included in this announcement or the announcements dated 1 February 2023, 29 June 2023 and 20 October 2023.

[1] Ewoyaa to become one of the top 10 largest spodumene concentrate producers globally - Based on a comparison of targeted spodumene concentrate production capacity (ktpa, 100% basis) of select hard rock spodumene projects globally (*refer Company presentation dated **8 September 2023***).

Competent Persons

Information in this report relating to the exploration results is based on data reviewed by Mr Lennard Kolff (MEcon. Geol., BSc. Hons ARSM), Chief Geologist of the Company. Mr Kolff is a Member of the Australian Institute of Geoscientists who has in excess of 20 years' experience in mineral exploration and is a Qualified Person under the AIM Rules. Mr Kolff consents to the inclusion of the information in the form and context in which it appears.

Information in this report relating to Mineral Resources was compiled by Shaun Searle, a Member of the Australian Institute of Geoscientists. Mr Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and is a Qualified Person under the AIM Rules. Mr Searle is a director of Ashmore. Ashmore and the Competent Person are independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in the Company. Mr Searle consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

The reported Ore Reserves have been compiled by Mr Harry Warries. Mr Warries is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Mining Focus Consultants Pty Ltd. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of December 2012 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia and is a Qualified Person under the AIM Rules. Mr Warries gives Atlantic Lithium Limited consent to use this reserve estimate in reports.

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ATLANTIC LITHIUM

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Notes to Editors:

About Atlantic Lithium

www.atlanticlithium.com.au

Atlantic Lithium is an AIM and ASX-listed lithium company advancing a portfolio of lithium projects in Ghana and Côte d'Ivoire through to production.

The Company's flagship project, the Ewoyaa Project in Ghana, is a significant lithium spodumene pegmatite discovery on track to become Ghana's first lithium-producing mine.

The Definitive Feasibility Study for the Project indicates the production of 3.6Mt of spodumene concentrate over a 12-year mine life, making it one of the top 10 largest spodumene concentrate mines in the world.

The Project, which was awarded a Mining Lease in October 2023, is being developed under a funding agreement with Piedmont Lithium Inc.

Atlantic Lithium holds 509km^2 and 774km^2 of tenure across Ghana and Côte d'Ivoire respectively, comprising significantly under-explored, highly prospective licences.